

SETTLEMENT AGREEMENT

This agreement is made and entered into between the Executive Branch Ethics Commission (hereinafter the "Commission") and Dallas Edward Kelly.

WHEREAS, this agreement involves the matter styled *Executive Branch Ethics Commission v. Dallas Edward Kelly*, Agency Case No. 12-004;

WHEREAS, the Commission is designated by statute as the agency responsible for enforcing the Executive Branch Code of Ethics, KRS Chapter 11A;

WHEREAS, on May 14, 2012, the Commission alleged facts in an Initiating Order that Dallas Edward Kelly violated the Executive Branch Code of Ethics at KRS 11A.020(1)(b), (c) and (d);

WHEREAS, Dallas Edward Kelly was at all relevant times mentioned in the Initiating Order a "public servant" as defined in KRS 11A.010(9), and thus is subject to the Executive Branch Code of Ethics; and

WHEREAS, Dallas Edward Kelly indicates his desire to resolve all issues in this action by the execution of a Settlement Agreement.

NOW, THEREFORE, in settlement of the above allegations, the Commission and Dallas Edward Kelly agree, pursuant to KRS 11A.100, as follows:

1. Dallas Edward Kelly admits that he committed violations of the Executive Branch Code of Ethics at KRS 11A.020(1)(b), (c) and (d), as stated in Appendix A of the Commission's Initiating Order of May 14, 2012, attached hereto and incorporated by reference herein.
2. Dallas Edward Kelly agrees to pay the Commission a civil penalty of five hundred dollars (\$500.00), to be received by the Commission on or before September 7, 2012.
3. Dallas Edward Kelly agrees that upon the Commission accepting the Settlement Agreement and entering the Agreed Final Order that he waives all rights to any further administrative process or appeal pursuant to KRS 13B.140 thereon.
4. The parties further agree that the acceptance of this Settlement Agreement and Agreed Final Order by both parties, and the fulfillment of its express terms, is in full accord and satisfaction of the herein referenced *Executive Branch Ethics Commission v. Dallas Edward Kelly*, Agency Case No. 12-004.

5. This Settlement Agreement constitutes a public reprimand to Dallas Edward Kelly, a copy of which will be provided to his former appointing authority pursuant to KRS 11A.100(3)(c).

IN WITNESS THEREOF, the parties have caused this agreement to be executed:

Dallas Edward Kelly
Dallas Edward Kelly

June 24, 2012
Date

EXECUTIVE BRANCH ETHICS COMMISSION:

ENTERED: July 2, 2012

Angela G. Edwards
Chair, Angela Edwards

W. David Denton
Vice-Chair, W. David Denton

William Knopf
Member, William Knopf

William Francis
Member, William Francis

Lewis G. Parsley
Member, Lewis G. Parsley

**APPENDIX A
CASE NO. 12-004
INITIATING ORDER**

ALLEGATION OF VIOLATIONS

The Respondent, Dallas Eddie Kelly, was at all relevant times an employee of the Commonwealth of Kentucky, serving in the Division of Mine Reclamation and Enforcement, Department of Natural Resources. As such, the Respondent was subject to the jurisdiction of the Commission. KRS 11A.010(9)(h).

During the course of its preliminary investigation, the Commission found probable cause to believe that Dallas Eddie Kelly committed the following violations:

COUNT I

Dallas Eddie Kelly, during his course of employment as Environmental Inspector III, Division of Mine Reclamation and Enforcement, Department of Natural Resources, used or attempted to use any means to influence a public agency in derogation of the state at large, used his official position to obtain financial gain for himself, and to secure or create privileges, exemptions, advantages, or treatment for himself in derogation of the public interest at large.

Specifically, from September 9 through 30, 2010, Kelly falsified his timesheets, vehicle logs, and mine reports claiming to have performed inspections that he had not performed, completed a mine report with inaccuracies that influenced his public agency in derogation of the state, and failed to fulfill his job duties while receiving compensation.

These facts constitute violations of KRS 11A.020(1)(b), (c), and (d).

KRS 11A.020(1)(b)(c) and (d) provide:

(1) No public servant, by himself or through others, shall knowingly:

(b) Use or attempt to use any means to influence a public agency in derogation of the state at large;

- (c) Use his official position or office to obtain financial gain for himself or any members of the public servant's family; or
- (d) Use or attempt to use his official position to secure or create privileges, exemptions, advantages, or treatment for himself or others in derogation of the public interest at large.

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